



United States Hispanic Chamber of Commerce

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August 9, 1996

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José F. Nino
President/CEO

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, DC 20554

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Re: Comments on Notice of Proposed Rule Making on
Geographic Partitioning and Spectrum Disaggregation
by Commercial Mobil Radio Services Licensees, WT
Docket No. 96-148 & GN Docket No. 96-113.

Dear Mr. Caton:

As one of the strongest advocates of Hispanic business, we would like to bring to your attention a grave concern in the Hispanic business community regarding the under-representation of Hispanics in telecommunications.

According to a study conducted by the National Council of La Raza on the participation and portrayal of Hispanics in telecommunications, Out of the Picture: Hispanics in the Media, Americans of Hispanic descent have been "out of the picture" for a number of years. The Federal Communication's Commission's (FCC) own records show women, minorities, especially Hispanics almost completely out of the picture. They own very few FCC licensed properties including very few PCS licenses. Reed Hundt, Chairman of the FCC has expressed concern by this dismal record and testified on May 20, 1994 before the House Minority Enterprise Subcommittee that there remains a fundamental obligation for both Congress and the FCC to examine new and creative ways to ensure minority opportunity.

The FCC was given authority by the U.S. Congress to promote economic opportunity and competition, avoid excessive concentration of licenses, and insure access to new and innovative technologies by disseminating licenses among a wide variety of applicants including small businesses, rural telephone companies, and businesses owned by members of minority and women groups. Unfortunately, there are very limited opportunities for Hispanics, women and other minorities in the Notice of Proposed Rule Making (NPRM) as currently written

* Regional Chair
** Chairman Emeritus

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Acting Secretary, FCC
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The nation's spectrum is a valuable public asset and without provisions to serve the interest of all the public, the most wealthy entities and companies with steady access to capital will clearly dominate the business opportunities created by geographic partitioning and spectrum disaggregation.

The FCC can solve these problems by adopting the same rules for all PCS blocks, including A, B, D, and E. i.e. allow all licensees that qualify as designated entities to geographically partition and disaggregate spectrum, at any time, to entities that qualify as entrepreneurs and meet minimum eligibility requirements such as companies which have annual gross sales of less than \$15 million. In addition, there should be a few restrictions, in selling or leasing spectrum. These restrictions would meet a public policy goal such as expand economic opportunities for minorities, women and small businesses. Without restrictions, partitioning and disaggregation will most likely be a division of public assets by a handful of companies and continue to leave Hispanics and other minorities out of the picture.

By adopting the above mentioned recommendations, the FCC will not only be closer to complying with Congressional mandates, but it will also be enhancing opportunities for minorities, women and other small business persons to participate in PCS opportunities. Additionally, geographic partitioning and spectrum disaggregation is an opportunity for the FCC to correct the problems created by the rule changes in the auctions after the Supreme Court decisions of *Adarand Vs. Peña*.

Thank you for your attention to this important matter, if you have any questions or comments, please do not hesitate to contact us.

Sincerely,



José F. Niño
President/CEO